

AMENDED IN ASSEMBLY APRIL 24, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1632**

**Introduced by Assembly Member Leno**

February 21, 2003

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~~An act to amend Section 12402 of the Public Contract Code, relating to public contracts.~~  
*An act to add Section 6103 to the Public Contract Code, relating to public contracts.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1632, as amended, Leno. Public contracts: ~~environmentally preferable purchasing~~ *sales and use taxes.*

~~Existing law regulates the purchase of recycled products by state agencies and the Legislature. Existing law requires that the Department of General Services, in consultation with the California Environmental Protection Agency, members of the public, industry, and public health and environmental organizations, provide state agencies with information and assistance regarding environmentally preferable purchasing, as provided.~~

~~This bill would make technical, nonsubstantive changes to those provisions.~~

*Existing law requires public entities to comply with certain procedures in soliciting and awarding public contracts. The Sales and Use Tax Law imposes a tax on the gross receipts from the sale in this state of, or the storage, use, or other consumption in this state of, tangible personal property and provides various exemptions from the taxes imposed by that law.*

*This bill would prohibit any public entity from contracting for goods or services or purchasing any goods or services from a retailer that fails or refuses to collect and remit the sales and use tax the retailer owes to the state. This bill would also require the Board of Equalization to provide to all public entities a list of retailers that fail to collect and remit that sales and use tax.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     ~~SECTION 1. Section 12402 of the Public Contract Code is~~  
2     ~~amended to read:~~  
3     ~~12402. Nothing contained in this chapter prohibits, limits, or~~  
4     ~~supersedes recycled content requirements pursuant to any other~~  
5     ~~provision of law.~~  
6     SECTION 1. Section 6103 is added to the Public Contract  
7     Code, to read:  
8     6103. (a) No public entity, as defined in Section 1100, may  
9     contract for goods or services or purchase any goods or services  
10    from a retailer that fails or refuses to collect and remit the sales and  
11    use tax the retailer owes to the state, pursuant to Part 1  
12    (commencing with Section 6001) and Part 1.5 (commencing with  
13    Section 7200) of Division 2 of the Revenue and Taxation Code.  
14    (b) The Board of Equalization shall provide to all public  
15    entities a list of retailers that fail to collect and remit the sales and  
16    use tax on taxable goods delivered to a location within the state.

